

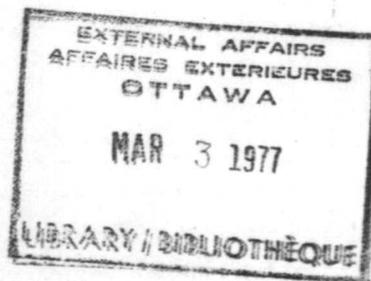


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VISIT OF THE SECRETARY OF STATE
FOR EXTERNAL AFFAIRS OF CANADA
TO PERU
JANUARY 18-21, 1977

JOINT COMMUNIQUE

DEPARTMENT OF EXTERNAL AFFAIRS
MINISTÈRE DES AFFAIRES EXTÉRIEURES

In response to an invitation extended by the Minister of Foreign Relations of Peru, Ambassador Jose de la Puente, the Secretary of State for External Affairs of Canada, Mr. Donald C. Jamieson, paid an official visit to Peru from January 18-21, 1977.

Mr. Jamieson was accompanied by Mr. Marcel Prud'homme, M.P., Chairman of the Standing Committee on External Affairs and National Defence of the the House of Commons, senior officials of the Departments of External Affairs and Industry, Trade and Commerce, the Canadian International Development Agency, the Export Development Corporation of Canada, the Department of Agriculture and representatives from the Canadian Association for Latin America and the media.

During his visit, the Canadian Secretary of State for External Affairs paid a call on the President of Peru, His Excellency Francisco Morales Bermudez Cerrutti, to whom he transmitted cordial greetings and with whom he discussed matters of common interest and in particular the development of Canadian relations with Peru.

Mr. Jamieson and his delegation also met with the Peruvian Minister of Integration, the Minister of Industry and Tourism, the Minister of Commerce, the Minister of Economy and Finance, the Minister of Food, the Minister of Education, the Minister of Transportation and Communications, the Minister of Fisheries, the Minister of Agriculture, the Minister of Energy and Mines, the head of the National Planning Institute and the President of the National System of Social Property.

During their conversations the Minister of Foreign Affairs of Peru and the Secretary of State for External Affairs of Canada reviewed a number of multilateral and bilateral topics of interest to both countries. They agreed that the relations between Canada and Peru have been developing very well and they expressed their conviction that the visit has strengthened the desire of the two governments to continue to further this friendly relationship to the mutual benefit of both countries.

The two ministers reviewed the state of hemispheric affairs and developments in inter-American institutions. Minister de la Puente outlined his views on the evolution of the Organization of American States and other organizations and welcomed the contribution being made by Canada as an observer to the OAS and through its membership in the Inter-American Development Bank and a variety of other bodies. The two ministers agreed on the desirability of further co-operation on a pragmatic basis in inter-American organizations. Continuing support will also be given to efforts to further moves towards economic integration in Latin America. Canadian technical assistance to the Andean Pact and discussions of projects with the Latin American economic system were noted in this connection.

Since Canada and Peru have made a particular contribution to the work of the Conference on International Economic Co-operation, useful and frank discussions were held on prospects for progress during the next meetings. The ministers expressed the desirability of continuing, within the conference, the dialogue on the fundamental problems of international co-operation and the world economic situation, strongly convinced that its results and agreements will be significant to the extent that they reflect the constructive political will of the participants and effectively implement key elements of the new economic order. It was noted that Canada and Peru, both of which are commodity producers, shared a common interest in the stabilization of prices which are fair and equitable both to producers and consumers alike.

The ministers emphasized the importance both countries attach to the virtual consensus which has been achieved in the Law of the Sea Conference on the rights of coastal states in and under the adjacent sea to a distance of 200 miles and on the continental shelf beyond over both living and non-living resources, and with respect to scientific research and preservation of the marine environment in such areas. They noted that both countries had asserted these rights in such areas in accordance with their respective national legislation, as early as 1947 in the case of Peru.

They expressed their concern over the lack of a similar degree of progress on certain other issues of fundamental importance in the Law of the Sea Conference, including in particular the implementation of the principles strongly supported by both countries of the reservation of the seabed and ocean floor and its resources beyond the limits of national jurisdiction as the common heritage of mankind, for purely peaceful purposes, and the establishment of an international regime, including international machinery, to govern the exploration of the area and the exploitation of its resources, to ensure rational and orderly management and development of those resources and to guard against possible adverse economic effects of seabed exploitation. They expressed the conviction that the conference cannot be concluded successfully without rapid progress on these issues.

The ministers reaffirmed the importance they attribute to the strengthening of the United Nations Organization and their conviction that the full and effective implementation of the principles and objectives of the Charter are a prerequisite for the achievement of international peace and security and the attainment of a greater degree of well-being and prosperity for all peoples.

Both foreign ministers underlined the great importance of the Memorandum of Understanding signed in Ottawa in 1975 between the Peruvian Government and the Export Development Corporation of Canada (EDC) which expressed EDC's willingness to consider financing for Peruvian development projects of a priority nature. It was agreed that projects that either earned or saved foreign exchange for Peru would be accorded favourable consideration by EDC. In this respect, they took note with satisfaction that loan agreements have been signed for

the modernization and expansion of Centromin's zinc circuit in La Oroya, for a steam generator at the sugar mills of Cap Cartavio, and for construction supervision of the Induperu bagasse paper plant at Trujillo.

The visit of the Secretary of State for External Affairs of Canada provided a useful opportunity to review with the Peruvian authorities the list of short and medium term projects presented for consideration to EDC for financing which includes the agricultural, mining and metallurgical, power generation, pulp and paper and transportation sectors. It was agreed that this review would be followed up shortly by a third meeting between Peruvian authorities and EDC to advance the progress of the implementation of the Memorandum of Understanding.

Both ministers shared pleasure at the satisfactory progress being made with respect to financing Majes and Cerro Verde Phase I, and noted that discussions were proceeding between Canadian and Peruvian corporations with regard to the copper circuit of Centromin in La Oroya and the zinc refinery of Cajamarquilla.

As regards bilateral trade, the ministers noted Peru's trade deficit and agreed that all efforts should be made for the expansion and diversification of Peruvian exports to the Canadian market, both of traditional and non-traditional products, with a view of redressing such imbalance and increasing two-way trade.

The Peruvian Foreign Minister indicated the intention of his government to send before the end of 1977 a trade mission to Canada with the objective of identifying possibilities for the marketing of non-traditional Peruvian products, to consider with the Canadian private sector medium term arrangements for the supply of Peruvian traditional products. To conclude, as appropriate, arrangements for the financing of Peruvian imports of wheat and to study the possibility of the purchase of skim milk powder, and to develop interchanges of market information and other promotional matters for the expansion of bilateral trade. The Canadian Foreign Minister indicated his pleasure with this initiative and the disposition of his government to facilitate the efforts of the Peruvian Government, in achieving the above-noted objectives. Both ministers agreed on the importance of effective preparatory ground work to assure the success of the Peruvian trade mission to Canada. At the same time both ministers agreed upon the convenience of establishing close contacts between the Ministry of Commerce of Peru and the Department of Industry, Trade and Commerce of Canada for the purpose of identifying, through periodic consultations, possibilities of increasing the bilateral flow of trade to the mutual benefit of both countries.

The two ministers reviewed long-standing links between Canada and Peru in the field of air transportation, which is an important part of the economic relationship. In view of the increase in tourism to Peru, both ministers were agreed that the expansion of air transport between Canada and Peru would be welcomed by both countries on the basis of mutual benefit to their respective airlines.

The ministers discussed the present technical and financial co-operation programme being carried out with the Canadian International Development Agency (CIDA) and observed that ten projects are being executed in the sectors of food, telecommunication and transport, fisheries and education.

The ministers signed six new subsidiary agreements for technical co-operation for an amount of approximately Canadian \$ 10,000,000 (700 million soles). The following were signed:

- The investigation and production of a rapeseed crop, integrated to other crops cultivated in the highlands,
- Training programme for the forest development and the lumber industry project in Peru,
- The rationalization of the administration of transport systems and railway costs,
- Technical assistance to the state telecommunications company of Peru (Entel-Peru),
- The study and implementation of the sectorial system of statistical information, and
- Advisory services to the higher administration of the Ministry of Industry and Tourism in the development of the national iron and steel industry.

The ministers noted as well that the Government of Peru has presented to date the following requests to the Canadian International Development Agency: Metodologia de Maejo de Cuencas; support to the higher professional education-Esep Tarapoto; livestock support-San Lorenzo; a joint Peruvian/Canadian study on the anchovy environment; the National Institute for Technological Investigation-ITINTEC; technical economical assistance to fish processing industry Cerper; the mining school of Junin; the swine raising complex EPS*; forestry project El Chaupe EPS; soya processing EPS; and the Alpaca Peru Project EPS; milk production on the central coast. The minister of Canada assured that his government is giving favourable consideration to such requests in conformity with the established procedure and expressed the intention of his government to ratify the respective agreements subject to the fulfilment of the pertinent technical and financial conditions.

* A social property enterprise.

They also noted that the total funds for the 1976-1980 five-year co-operation programme have now been assigned.

The ministers exchanged thoughts on the Canadian Strategy for International Development and agreed to jointly study the implementation of new forms of co-operation.

With reference to the credits extended for the polymetallic plan of assistance to small and medium mining, the minister of Canada expressed the favourable disposition on the part of his government for the increasing of the resources destined to cover the needs of additional equipment once the time set out for engaging the original resources has lapsed.

Both ministers expressed their intention of their respective governments to devote the necessary resources to the full implementation of the five-year plan. They also expressed the intention of their governments to devote additional resources to specific projects which could be considered later.

The ministers noted with satisfaction the steps taken to increase exchanges, in the artistic and cultural fields, and agreed on the importance of expanding activities in this area between the two countries. The Canadian minister invited Peru to participate in his country's general programmes for student and inter-faculty exchanges and in joint research projects, support for lecture tours and language assistants.

The Secretary of State for External Affairs of Canada expressed his gratitude to the Foreign Minister of Peru for the warm welcome and hospitality shown by the Government of Peru and for the many expressions of friendship which he and Mrs. Jamieson experienced during his stay. The two ministers agreed the visit had strengthened their ties and look forward to the further development of the Canadian-Peruvian relationship to the benefit of both countries.